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Attorneys for doTERRA, Inc., doTERRA International, LLC, and doTERRA Holdings, LLC

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

YOUNG LIVING ESSENTIAL OILS, LC, a Utah limited liability company,

Plaintiff,

VS.

doTERRA, INC., a Utah corporation, doTERRA INTERNATIONAL, LLC, a Utah limited liability company, doTERRA HOLDINGS, LLC, a Utah limited liability company, and JOHN DOES 1-10,

Defendants.

ANSWER

Case No. 2:13-cv-00502

Judge Waddoups

Defendants doTERRA, Inc., doTERRA International, LLC, and doTERRA Holdings, LLC (hereinafter collectively referred to as "Defendants"), by and through their attorneys, hereby answer the Plaintiff's Amended Complaint as follows:

FIRST DEFENSE

Plaintiff has failed to state a claim upon which relief can be granted.

SECOND DEFENSE

Defendants admit, deny and allege as follows:

- Defendants deny the allegations contained in Paragraph 1 of the Plaintiff's Amended Complaint.
- 2. To the extent that fact allegations are made in Paragraph 2 of Plaintiff's Amended Complaint, Defendants deny those allegations.
- 3. Defendants deny the allegations contained in Paragraph 3 of the Plaintiff's Amended Complaint.
- Defendants admit the allegations contained in Paragraph 4 of the Plaintiff's
 Amended Complaint.
- Defendants admit the allegations contained in Paragraph 5 of the Plaintiff's
 Amended Complaint.
- 6. Defendants admit the first sentence in Paragraph 6 of the Plaintiff's Amended Complaint. Defendants are without knowledge regarding the remainder of the allegations in Paragraph 6 of the Plaintiff's Amended Complaint, and on that basis, the defendants deny the remaining allegations.
- 7. Defendants admit that doTERRA, Inc. is a Utah corporation with its principal place of business in Orem, Utah. Defendants deny the remaining allegations allegations contained in Paragraph 7 of the Plaintiff's Amended Complaint.

- 8. Defendants admit the allegations contained in Paragraph 8 of the Plaintiff's Amended Complaint.
- Defendants admit the allegations contained in Paragraph 9 of the Plaintiff's
 Amended Complaint.
- Defendants admit the allegations contained in Paragraph 10 of the Plaintiff's
 Amended Complaint.
- 11. Defendants admit that they do business in interstate commerce including in Utah, and that they manufacture and sell products to residents of Utah and other places. The remaining allegations contained in Paragraph 11 of the Plaintiff's Amended Complaint are denied.
- 12. Defendants are without knowledge as to the allegations contained in Paragraph 12 of the Plaintiff's Amended Complaint, and thus deny.
- 13. Defendants are without knowledge as to the allegations contained in Paragraph 13 of the Plaintiff's Amended Complaint, and thus deny.
- 14. Defendants admit that Young Living is in the essential oils business, but are without knowledge as to the other allegations contained in Paragraph 14 of the Plaintiff's Amended Complaint, and thus deny.
- 15. Defendants are without knowledge as to the allegations contained in Paragraph 15 of the Plaintiff's Amended Complaint, and thus deny.
- 16. Defendants are without knowledge as to the allegations contained in Paragraph 16 of the Plaintiff's Amended Complaint, and thus deny.

- 17. Defendants admit the allegations contained in Paragraph 17 of the Plaintiff's Amended Complaint.
- 18. Defendants are without knowledge as to the allegations contained in Paragraph 18 of the Plaintiff's Amended Complaint, and thus deny.
- 19. Defendants admit the allegations contained in the first sentence of Paragraph 19 of the Plaintiff's Amended Complaint. Defendants are without knowledge regarding the remainder of the allegations in Paragraph 18 of the Plaintiff's Amended Complaint, and on that basis, the defendants deny the remaining allegations.
- 20. Defendants admit that some of its founders were former executives and employees of Young Living, and that Defendants are in the essential oil business. Defendants deny the remaining allegations contained in Paragraph 20 of the Plaintiff's Amended Complaint.
- Defendants admit the allegations contained in Paragraph 21 of the Plaintiff's
 Amended Complaint.
- 22. Defendants deny the allegations contained in Paragraph 22 of the Plaintiff's Amended Complaint.
- 23. Defendants admit the allegations contained in Paragraph 23 of the Plaintiff's Amended Complaint.
- 24. Defendants admit the allegations contained in Paragraph 24 of the Plaintiff's Amended Complaint.

- 25. Defendants deny the allegations contained in Paragraph 25 of the Plaintiff's Amended Complaint.
- 26. The "instant Complaint" speaks for itself. Defendants deny the allegations contained in Paragraph 26 of the Plaintiff's Amended Complaint.
- 27. The Defendants deny the allegations contained in Paragraph 27 of the Plaintiff's Amended Complaint.
- 28. Defendants admit that the information on the websites speaks for itself, and deny any allegations contained in Paragraph 28 of the Plaintiff's Amended Complaint which are inconsistent with the information published on the website.
- 29. Defendants admit that the information on the websites speaks for itself, and deny any allegations contained in Paragraph 29 of the Plaintiff's Amended Complaint which are inconsistent with the information published on the website.
- 30. Defendants admit that the information on the websites speaks for itself, and deny any allegations contained in Paragraph 30 of the Plaintiff's Amended Complaint which are inconsistent with the information published on the website.
- 31. Defendants admit that the information on the websites speaks for itself, and deny any allegations contained in Paragraph 31 of the Plaintiff's Amended Complaint which are inconsistent with the information published on the website.
- 32. Defendants deny the allegations contained in Paragraph 32 of the Plaintiff's Amended Complaint.

- 33. Defendants deny the allegations contained in Paragraph 33 of the Plaintiff's Amended Complaint.
- 34. Defendants deny the allegations contained in Paragraph 34 of the Plaintiff's Amended Complaint.
- 35. Defendants deny the allegations contained in Paragraph 35 of the Plaintiff's Amended Complaint.
- 36. Defendants deny the allegations contained in Paragraph 36 of the Plaintiff's Amended Complaint.
- 37. Defendants admit that the websites speaks for themselves, and deny any allegations contained in Paragraph 37, and all of its subparts, of the Plaintiff's Amended Complaint which are inconsistent with its published website.
- 38. Defendants admit the allegations contained in Paragraph 38 of the Plaintiff's Amended Complaint.
- 39. Defendants deny the allegations contained in Paragraph 39 of the Plaintiff's Amended Complaint.
- 40. Defendants admit the allegations contained in Paragraph 40 of the Plaintiff's Amended Complaint.
- 41. Defendants deny the allegations contained in Paragraph 41 of the Plaintiff's Amended Complaint.
- 42. Defendants deny the allegations contained in Paragraph 42 of the Plaintiff's Amended Complaint.

- 43. Defendants deny the allegations contained in Paragraph 43 of the Plaintiff's Amended Complaint.
- 44. Defendants deny the allegations contained in Paragraph 44 of the Plaintiff's Amended Complaint.
- 45. Defendants deny the allegations contained in Paragraph 45 of the Plaintiff's Amended Complaint.
- 46. Defendants admit the allegations contained in Paragraph 46 of the Plaintiff's Amended Complaint.
- 47. Defendants deny the allegations contained in Paragraph 47 of the Plaintiff's Amended Complaint.
- 48. Defendants deny the allegations contained in Paragraph 48 of the Plaintiff's Amended Complaint.
- 49. Defendants deny the allegations contained in Paragraph 49 of the Plaintiff's Amended Complaint.
- 50. Defendants deny the allegations contained in Paragraph 50 of the Plaintiff's Amended Complaint.
- 51. Defendants are without knowledge as to the allegations contained in Paragraph 51 of the Plaintiff's Amended Complaint.
- 52. Defendants deny the allegations contained in Paragraph 52 of the Plaintiff's Amended Complaint.
 - 53. Defendants admit the allegations contained in Paragraph 53 of the Plaintiff's

- 54. Defendants deny the allegations contained in Paragraph 54 of the Plaintiff's Amended Complaint.
- 55. Defendants admit the allegations contained in Paragraph 55 of the Plaintiff's Amended Complaint.
- 56. Defendants deny the allegations contained in Paragraph 56 of the Plaintiff's Amended Complaint.
- 57. Defendants admit the allegations contained in Paragraph 57 of the Plaintiff's Amended Complaint.
- 58. Defendants admit that the information on the websites speaks for itself, and deny any allegations contained in Paragraph 58 of the Plaintiff's Amended Complaint which are inconsistent with the information published on the website.
- 59. Defendants deny the allegations contained in paragraph 59 of the Plaintiff's Amended Complaint.
- 60. Defendants deny the allegations contained in paragraph 60 of the Plaintiff's Amended Complaint.
- 61. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 61 that are inconsistent with the product's labeling.
- 62. Defendants deny the allegations contained in paragraph 62 of the Plaintiff's Amended Complaint.
 - 63. Defendants deny the allegations contained in paragraph 63 of the Plaintiff's

- 64. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 64 that are inconsistent with the product's labeling.
- 65. Defendants deny the allegations contained in paragraph 65 of the Plaintiff's Amended Complaint.
- 66. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 66 that are inconsistent with the product's labeling.
- 67. Defendants deny the allegations contained in paragraph 67 of the Plaintiff's Amended Complaint.
- 68. Defendants deny the allegations contained in paragraph 68 of the Plaintiff's Amended Complaint.
- 69. Plaintiffs have not referenced the source that supports the allegations in paragraph 69; therefore, Defendants are without knowledge as to the allegations contained in paragraph 69 and deny those allegations.
- 70. Defendants deny the allegations contained in paragraph 70 of the Plaintiff's Amended Complaint.
- 71. Plaintiffs have not referenced the source that supports the allegations in paragraph 71; therefore, Defendants are without knowledge as to the allegations contained in paragraph 71 and deny those allegations.
- 72. Defendants deny the allegations contained in paragraph 72 of the Plaintiff's Amended Complaint.

- 73. Plaintiffs have not referenced the source that supports the allegations in paragraph 73; therefore, Defendants are without knowledge as to the allegations contained in paragraph 73 and deny those allegations.
- 74. Defendants deny the allegations contained in paragraph 74 of the Plaintiff's Amended Complaint.
- 75. Defendants deny the allegations contained in paragraph 75 of the Plaintiff's Amended Complaint.
- 76. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 76 that are inconsistent with the product's labeling.
- 77. Defendants deny the allegations contained in paragraph 77 of the Plaintiff's Amended Complaint.
- 78. Defendants deny the allegations contained in paragraph 78 of the Plaintiff's Amended Complaint.
- 79. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 79 that are inconsistent with the product's labeling.
- 80. Defendants deny the allegations contained in paragraph 80 of the Plaintiff's Amended Complaint.
- 81. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 81 that are inconsistent with the product's labeling.
 - 82. Defendants deny the allegations contained in paragraph 82 of the Plaintiff's

- 83. Defendants deny the allegations contained in paragraph 83 of the Plaintiff's Amended Complaint.
- 84. Defendants deny the allegations contained in paragraph 84 of the Plaintiff's Amended Complaint.
- 85. Defendants deny the allegations contained in paragraph 85 of the Plaintiff's Amended Complaint.
- 86. Defendants admit that the label referenced speaks for itself, and deny any allegations contained in paragraph 86 that are inconsistent with the product's labeling.
- 87. Defendants deny the allegations contained in paragraph 87 of the Plaintiff's Amended Complaint.
- 88. Defendants deny the allegations contained in paragraph 88 of the Plaintiff's Amended Complaint.
- 89. Defendants deny the allegations contained in paragraph 89 of the Plaintiff's Amended Complaint.
- 90. Defendants deny the allegations contained in paragraph 90 of the Plaintiff's Amended Complaint.
- 91. Defendants deny the allegations contained in paragraph 91 of the Plaintiff's Amended Complaint.
- 92. Defendants deny the allegations contained in paragraph 92 of the Plaintiff's Amended Complaint.

- 93. Defendants deny the allegations contained in paragraph 93 of the Plaintiff's Amended Complaint.
- 94. Defendants deny the allegations contained in paragraph 94 of the Plaintiff's Amended Complaint.
- 95. Defendants deny the allegations contained in Paragraph 95 of the Plaintiff's Amended Complaint.
- 96. Defendants admit the allegations contained in Paragraph 96 of the Plaintiff's Amended Complaint.
- 97. Defendants deny the allegations contained in Paragraph 97 of the Plaintiff's Amended Complaint.
- 98. Defendants admit the allegations contained in Paragraph 98 of the Plaintiff's Amended Complaint.
- 99. Defendants deny the allegations contained in Paragraph 99 of the Plaintiff's Amended Complaint.
- 100. Defendants deny the allegations contained in Paragraph 100 of the Plaintiff'sAmended Complaint.
- 101. Defendants deny the allegations contained in Paragraph 101 of the Plaintiff's Amended Complaint.
- 102. Defendants deny the allegations contained in Paragraph 102 of the Plaintiff's Amended Complaint.
 - 103. Defendants deny the allegations contained in Paragraph 103 of the Plaintiff's

- 104. Defendants deny the allegations contained in Paragraph 104 of the Plaintiff's Amended Complaint.
- 105. Defendants deny the allegations contained in Paragraph 105 of the Plaintiff's Amended Complaint.
- 106. Defendants deny the allegations contained in Paragraph 106 of the Plaintiff's Amended Complaint.
- 107. Defendants deny the allegations contained in Paragraph 107 of the Plaintiff's Amended Complaint.
- 108. Defendants deny the allegations contained in Paragraph 108 of the Plaintiff's Amended Complaint.
- 109. Defendants reallege their previous Answers in answer to Paragraph 109 of the Plaintiff's Amended Complaint.
- 110. Defendants deny the allegations contained in Paragraph 110 of the Plaintiff's Amended Complaint.
- 111. Defendants deny the allegations contained in Paragraph 111 of the Plaintiff's Amended Complaint.
- 112. Defendants deny the allegations contained in Paragraph 112 of the Plaintiff's Amended Complaint.
- 113. Defendants deny the allegations contained in Paragraph 113 of the Plaintiff's Amended Complaint.

- 114. Defendants deny the allegations contained in Paragraph 114 of the Plaintiff's Amended Complaint.
- 115. Defendants deny the allegations contained in Paragraph 115 of the Plaintiff's Amended Complaint.
- 116. Defendants deny the allegations contained in Paragraph 116 of the Plaintiff's Amended Complaint.
- 117. Defendants deny the allegations contained in Paragraph 117 of the Plaintiff'sAmended Complaint.
- 118. Defendants deny the allegations contained in Paragraph 118 of the Plaintiff's Amended Complaint.
- 119. Defendants deny the allegations contained in Paragraph 119 of the Plaintiff's Amended Complaint.
- 120. Defendants deny the allegations contained in Paragraph 120 of the Plaintiff's Amended Complaint.
- 121. Defendants deny the allegations contained in Paragraph 121 of the Plaintiff's Amended Complaint.
- 122. Defendants deny the allegations contained in Paragraph 122 of the Plaintiff's Amended Complaint.
- 123. Defendants deny the allegations contained in Paragraph 123 of the Plaintiff's Amended Complaint.
 - 124. Defendants deny the allegations contained in Paragraph 124 of the Plaintiff's

- 125. Defendants deny the allegations contained in Paragraph 125 of the Plaintiff's Amended Complaint.
- 126. Defendants deny the allegations contained in Paragraph 126 of the Plaintiff's Amended Complaint.
- 127. Defendants reallege their previous Answers in answer to Paragraph 127 of the Plaintiff's Amended Complaint.
- 128. Defendants deny the allegations contained in Paragraph 128 of the Plaintiff's Amended Complaint.
- 129. Defendants deny the allegations contained in Paragraph 129 of the Plaintiff's Amended Complaint.
- 130. Defendants deny the allegations contained in Paragraph 130 of the Plaintiff's Amended Complaint.
- 131. Defendants deny the allegations contained in Paragraph 131 of the Plaintiff's Amended Complaint.
- 132. Defendants deny the allegations contained in Paragraph 132 of the Plaintiff's Amended Complaint.
- 133. Defendants reallege their previous Answers in answer to Paragraph 133 of the Plaintiff's Amended Complaint.
- 134. Defendants deny the allegations contained in Paragraph 134 of the Plaintiff's Amended Complaint.

- 135. Defendants deny the allegations contained in Paragraph 135 of the Plaintiff's Amended Complaint.
- 136. Defendants deny the allegations contained in Paragraph 136 of the Plaintiff's Amended Complaint.
- 137. Defendants deny the allegations contained in Paragraph 137 of the Plaintiff's Amended Complaint.
- 138. Defendants deny the allegations contained in Paragraph 138 of the Plaintiff's Amended Complaint.
- 139. Defendants reallege their previous Answers in answer to Paragraph 139 of the Plaintiff's Amended Complaint.
- 140. Defendants deny the allegations contained in Paragraph 140 of the Plaintiff's Amended Complaint.
- 141. Defendants deny the allegations contained in Paragraph 141 of the Plaintiff's Amended Complaint.
- 142. Defendants deny the allegations contained in Paragraph 142 of the Plaintiff's Amended Complaint.
- 143. Defendants deny the allegations contained in Paragraph 143 of the Plaintiff's Amended Complaint.
- 144. Defendants deny the allegations contained in Paragraph 144 of the Plaintiff's Amended Complaint.
 - 145. Defendants reallege their previous Answers in answer to Paragraph 145 of the

Plaintiff's Amended Complaint.

- 146. Defendants admit the allegations contained in Paragraph 146 of the Plaintiff's Amended Complaint.
- 147. Defendants admit the allegations contained in Paragraph 147 of the Plaintiff's Amended Complaint.
- 148. Defendants admit the allegations contained in Paragraph 148 of the Plaintiff's Amended Complaint.
- 149. Defendants deny the allegations contained in Paragraph 149 of the Plaintiff's Amended Complaint.
- 150. Defendants deny the allegations contained in Paragraph 150 of the Plaintiff's Amended Complaint.
- 151. Defendants admit the allegations contained in Paragraph 151 of the Plaintiff's Amended Complaint.
- 152. Defendants deny the allegations contained in Paragraph 152 of the Plaintiff's Amended Complaint.
- 153. Defendants deny the allegations contained in Paragraph 153 of the Plaintiff's Amended Complaint.
- 154. Defendants deny the allegations contained in Paragraph 154 of the Plaintiff's Amended Complaint.
 - 155. Defendants deny any allegations not specifically admitted.
 - 156. Defendants deny the prayer for relief in its entirety.

AFFIRMATIVE DEFENSES

1.

14.

15.

1117(a);

Failure to Mitigate

2. Waiver 3. Estoppel; 4. Statute of Limitations; 5. Laches; 6. Unclean Hands; 7. Comparative Fault/Contributory Negligence; 8. Defendants' statements are truthful; 9. Defendants' statements about Young Living are truthful; 10. Defendants' representations that its products meet its own standards are true; 11. Young Living distributors did not rely upon Defendants' alleged misrepresentations when becoming distributors for Defendants; 12. Plaintiff has not suffered any damages and/or other cognizable injury due to Defendants' alleged misrepresentations; 13. Defendants have not engaged in any willful or deliberate conduct that violates any statute at issue in this case;

Plaintiff's allegations do not create an "exceptional case" under 15 U.S.C. §

Defendants' statements are all justifiable commercial free speech under the First

Amendment;

- 16. Defendants' products sold under the above-alleged trademark registrations meet
 Defendants' certification standards and approval;
- 17. Defendants' trademarks do not imply government approval or certification;
- 18. Defendants' trademarks are not deceptively false or misdescriptive;
- 19. Defendants' trademarks are not merely descriptive;
- 20. Defendants' trademarks have acquired distinctiveness through use pursuant to 15 U.S.C. § 1052(f); and
- 21. Defendants reserve the right to assert further affirmative defenses as they become known.

PRAYER FOR RELIEF

Wherefore, Defendants pray for relief as follows concerning the Plaintiff's Amended Complaint:

- 1. That all of the Plaintiff's claims be dismissed with prejudice and/or denied;
- 2. That Defendants be awarded their fees and costs as per Utah law; and
- 3. For whatever further relief the Court deems just and proper.

DATED this 5th day of August 2013.

DURHAM, JONES & PINEGAR, P.C.

/s/ Stephen Quesenberry

Stephen Quesenberry
Aaron R. Harris
Attorneys for doTERRA, Inc.,
doTERRA International, LLC, and
doTERRA Holdings, LLC

CERTIFICATE OF SERVICE

I hereby certify that on the 5^h day of August 2013, I caused a true and correct copy of the foregoing to be served in the following manner upon the addressee(s) listed below:

Via Email and/or CM/ECF	Justin T. Toth
	Arthur B. Berger
	Samuel C. Straight
	Maria E. Heckel
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	Attorneys for Plaintiff

/s/ Mary Kowalczyk